

## **§ 1786.101**

(b) A list of all RUS Notes together with the outstanding amount on such notes.

(c) An opinion of counsel as to the effective date of the merger or consolidation.

(d) Such additional information as the Administrator will request.

### **§ 1786.101 Approval of application.**

The applications will be reviewed and, if satisfactory, approved. Closing will be scheduled upon approval.

### **§ 1786.102 Prepayment agreement.**

Upon approving an application for prepayment under this subpart, the Administrator shall notify the borrower and deliver to the borrower for its execution a prepayment agreement which shall set forth and provide:

(a) The RUS Notes to be prepaid and when the Discounted Present Value will be calculated.

(b) The place, date and conditions for closing.

(c) Agreement that the unadvanced balance of RUS Notes shall be rescinded.

(d) Agreement that the borrower, or its successors or assigns, shall pay to the Government, as a condition of receiving additional loans or loan guarantees pursuant to titles I and III of the Act, an amount equal to the aggregate of the difference with respect to each of the RUS Notes between the amount outstanding on the RUS Note and the Discounted Present Value of the prepaid RUS Note; with interest accruing quarterly. The interest rates shall be the rates provided in the respective RUS Notes.

(e) Assurances that the borrower will meet its obligations to any power supplier financed pursuant to the Act.

(f) Such other terms and conditions as the Administrator deems appropriate.

### **§ 1786.103 Security.**

If, after prepayment of RUS Notes, the Government should continue to hold liens on the borrower's property, the Administrator of RUS will consider a request for the accommodation of such liens for the purpose of providing security for loans the proceeds of which were used to prepay RUS Notes.

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Such lien accommodations shall be limited in amount to the Discounted Present Value of the RUS Notes plus such costs, as the Administrator shall determine to be reasonable, incurred by the borrower in obtaining such loans.

### **§ 1786.104 Loan fund audit.**

RUS shall have the right to audit within 6 months of closing, transactions involving the RUS construction fund established and maintained by the borrower pursuant to the terms of the RUS Loan Agreement and to inspect all books, records, accounts and other documents and papers of the borrower. Should RUS determine that the borrower has made disbursements of funds advanced pursuant to RUS Notes which do not comply with the requirements of the RUS Loan Agreement, the borrower shall be required to pay the Government an amount equal to the difference between the amount which the borrower prepaid on such RUS Notes evidencing RUS loans funds which were improperly disbursed and the amount which the borrower would otherwise have been required to return to the Government as a result of non-compliance if the borrower had not prepaid such RUS Notes. (See 7 CFR part 1721, Post-Loan Policies and Procedures for Insured Electric Loans.)

### **§ 1786.105 Closing.**

(a) The borrower shall be responsible for obtaining all approvals necessary to consummate the transaction as required by the prepayment agreement, including such approvals as may be required by regulatory bodies and other lenders.

(b) The RUS Notes shall be prepaid at a closing to be held in accordance with the prepayment agreement. RUS shall designate the date of closing which in no event shall be later than one year after the effective date of the merger or consolidation. At closing, in addition to paying all current interest due on the date of prepayment, a borrower shall prepay the RUS Notes by paying to the Government an amount equal to the lesser of the outstanding balance or the Discounted Present Value of the RUS Notes. The closing shall otherwise

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be conducted as prescribed in the prepayment agreement.

### § 1786.106 Other prepayments.

RUS loan documentation generally permits borrowers to prepay RUS Notes by paying the outstanding balance due thereon. Nothing in this subpart shall prohibit any borrower from prepaying its outstanding RUS Notes in accordance with the terms thereof. The provisions of this subpart shall not be applicable to such prepayment.

#### APPENDIX A TO SUBPART E OF PART 1786—LISTING OF ELIGIBLE BORROWERS

| State           | Borrower name and address                          |
|-----------------|--|
| Colorado .....  | Colorado-Ute Electric Assn., Inc., Montrose.       |
| Florida .....   | Lee County Electric Coop. Inc., North Fort Myers.  |
| Indiana .....   | Clark County Rural Elec. Memb. Corp., Sellersburg. |
| Louisiana ..... | Beauregard Electric Cooperative, Inc., Deridder.   |
| Missouri .....  | Culvre River Electric Cooperative, Inc., Troy.     |
| Nebraska .....  | Roosevelt Public Power District, Mitchell.         |
| Nebraska .....  | Howard Greely Rural Public Power Dist., St. Paul.  |
| Nebraska .....  | Cuming County Public Power District, West Point.   |
| Nebraska .....  | York County Rural Public Power District, York.     |
| Nebraska .....  | Elkhorn Rural Public Power District, Battle Creek. |
| Nebraska .....  | Southern Nebraska Rural P. P. D., Grand Island.    |
| Nebraska .....  | McCook Public Power District, McCook.              |
| Nebraska .....  | Niobrara Valley Electric Memb. Corp., O'Neill.     |
| Nebraska .....  | Cornhusker Public Power District, Columbus.        |

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| State            | Borrower name and address                          |
|------------------|--|
| Nebraska .....   | Custer Public Power District, Broken Bow.          |
| Nebraska .....   | Northwest Rural Public Power Dist., Hay Springs.   |
| Nebraska .....   | Southwest Public Power District, Palsade.          |
| Nebraska .....   | Loup Valleys Rural Public Power District, Ord.     |
| Nebraska .....   | South Central Public Power District, Nelson.       |
| Oklahoma .....   | Peoples' Electric Cooperative, Ada.                |
| Texas .....      | Deaf Smith County Electric Coop. Inc., Hereford.   |
| Texas .....      | Pedernales Electric Coop. Inc., Johnson City.      |
| Texas .....      | Bandera Electric Cooperative, Inc., Bandera.       |
| Texas .....      | Guadalupe Valley Electric Coop., Inc., Gonzales.   |
| Texas .....      | Bluebonnet Electric Cooperative, Inc., Giddings.   |
| Texas .....      | Cap Rock Electric Cooperative, Inc., Stanton.      |
| Texas .....      | San Bernard Electric Cooperative, Inc., Bellville. |
| Washington ..... | Inland Power & Light Company, Spokane.             |
| Washington ..... | Pub. Util. Dist. No. 1 Grays Harbor Co., Aberdeen. |

#### APPENDIX B TO SUBPART E OF PART 1786—FEDERAL RESERVE STATISTICAL RELEASE

##### FEDERAL RESERVE STATISTICAL RELEASE

These data are released each Monday. The availability of the release will be announced when the information is available, on (202) 452-3206.

H. 15 (519)

For immediate release February 4, 1991.

#### SELECTED INTEREST RATES

[Yields in percent per annum]

| Instruments  | 1991 Jan. 28 | 1991 Jan. 29 | 1991 Jan. 30 | 1991 Jan. 31 | 1991 Feb. 1 | This week | Last week | 1991 Jan. |
|--|--------------|--------------|--------------|--------------|-------------|-----------|-----------|-----------|
| Federal Funds (effective) <sup>1,2,3</sup> .....       | 7.61         | 7.16         | 6.96         | 8.18         | 6.30        | 7.46      | 6.88      | 6.91      |
| Commercial paper <sup>3,4,5</sup> .....                |              |              |              |              |             |           |           |           |
| 1-Month .....  | 6.88         | 6.96         | 6.95         | 6.99         | 6.73        | 6.90      | 6.83      | 7.12      |
| 3-Month .....  | 6.92         | 6.96         | 6.94         | 6.95         | 6.67        | 6.89      | 6.92      | 7.10      |
| 6-Month .....  | 6.87         | 6.91         | 6.88         | 6.88         | 6.58        | 6.82      | 6.86      | 7.02      |
| Finance paper placed directly <sup>3,4,6</sup> .....   |              |              |              |              |             |           |           |           |
| 1-Month .....  | 6.76         | 6.85         | 6.83         | 6.83         | 6.55        | 6.76      | 6.68      | 6.95      |
| 3-Month .....  | 6.75         | 6.83         | 6.83         | 6.76         | 6.46        | 6.73      | 6.77      | 6.92      |
| 6-Month .....  | 6.53         | 6.53         | 6.59         | 6.53         | 6.19        | 6.47      | 6.55      | 6.59      |
| Bankers acceptances (top rated) <sup>3,4,7</sup> ..... |              |              |              |              |             |           |           |           |
| 3-Month .....  | 6.80         | 6.82         | 6.77         | 6.68         | 6.30        | 6.67      | 6.76      | 6.96      |
| 6-Month .....  | 6.67         | 6.70         | 6.65         | 6.55         | 6.15        | 6.54      | 6.63      | 6.84      |